

Department of Public Health
and Human Services

FAMILY MEDICAID

DRAFT

Section:
RESIDENTIAL MEDICAL FACILITIES

Subject:
Intermediate Care/Psychiatric
Residential Treatment

Supersedes: FMA 1202-1, 09/01/98

► References: 42 CFR 435.211, .222(a)(4), .712, .725 and .1009; ARM 37.82.101, .1310, .1312, and .1320

GENERAL RULE--Individuals under age 21 receiving treatment as inpatients in intermediate care facilities (including those who serve the mentally retarded) or psychiatric residential treatment facilities are eligible for Medicaid if:

- 1. The institution is certified for Medicaid or has an agreement with the Addictive and Mental Disorders Division (AMDD) to be a Montana Medicaid provider;
- 2. The individual meets all non-financial criteria (citizenship, Montana residency, etc.);
- 3. The individual receiving psychiatric services in a residential treatment setting, is under the court ordered jurisdiction of DPHHS or a ward of the tribal court and under the supervision of an Indian tribe, BIA or the state of Montana;
- 4. The value of the individual's countable resources is below the resource standard of \$3,000; and
- 5. The individual's gross income, less applicable disregards, is less than the cost of care at the facility.

Medicaid eligibility does not ensure payment of inpatient psychiatric services. The mental health managed care contractor must also prescribe "Medical necessity". Admitting facility has the current admission requirements.

- **NOTE:** Children under age 19 may be eligible for Medicaid coverage while residing in the above facilities even if their placement is not court-ordered. The child's eligibility is determined under any other appropriate Medicaid program (MA-PC, PS, RK, FM). If the child is placed in the facility by their parent, and the child remains in the parent's custody, their parent's income and resources must be considered when determining the child's Medicaid eligibility. The child may be eligible under medically needy.

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When determining the child's liability for cost of care, disregard the following from the gross monthly income:

1. Up to \$65 of gross earned income;
2. \$40 personal needs allowance;
3. Monthly health insurance premium and/or co-payments;
4. If applicable, a home maintenance allowance;
5. Monthly costs of necessary medical or remedial care which:
 - a. were incurred during the three months prior to application;
 - b. were unpaid at the time of application; and
 - c. are not payable by Medicaid or a third party.

All remaining income must be applied toward the cost of care at the facility.

**HOME
MAINTENANCE**

The home maintenance allowance is the greater of:

1. An allowance for each dependent family member equal to one-third the difference between the basic needs standard (see Income Disregards for Institutionalized Spouse in MA 904-2) and the family member's gross monthly income.

NOTE: A dependent family member includes children, parents or siblings of the individual who can be claimed for tax purposes.

2. The Medically Needy Income Level (MNIL) for one if the child entered the facility from the community after the first day of the month and the child was responsible for paying for home maintenance.
3. The MNIL for one if the child is a single individual who is maintaining a home; or

NOTE: This disregard is allowed for a maximum of six (6) months and must be established upon entry into the facility. A physician must certify that the individual will return home within six (6) months of entry.

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4. The MNIL for one if the child leaves the facility before the last day of the month to establish residence in the community.

PROCEDURE**Parent/Guardian/
Probation/Social Wkr**

1. Complete an HCS-250, "Application for Assistance"; provide required verification/documentation.

Eligibility Case Mgr

2. Compare value of individual's resources to the \$3000 resource standard.
3. Determine the individual's gross monthly income.

NOTE: Consider support from the parent(s) as income only when actually contributed.

4. Determine income amount to be applied toward cost of care by completing Form FA-460, "Medical Institutional Budget." Use appropriate disregards.
5. Document system case notes. Include verification/documentation of all non-financial and financial eligibility criteria. Place a copy of the court order giving custody/jurisdiction of child to DPHHS, BIA, Indian tribe or State of Montana in the case file. Verify facility is a Montana Medicaid provider as a residential treatment facility or intermediate care facility.



NOTE: A court order, and all criteria listed on page 1 of this section are conditions of eligibility for children aged 19 or 20 who are receiving psychiatric services in an institution.

6. Determine eligibility, enter a nursing home code and span on NUHS screen, and authorize if eligible.

NOTE: Open as MA-ID

7. Notify the applicant and the facility of determination

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